



INDEPENDENT AUDITOR'S REPORT

To the Members of
M/s. ARSS Developers Limited
CIN : U45209OR2007PLC009201
Plot-no-38, Sector-A, Zone-D
Mancheswar Industrial Estate
Bhubaneswar-751 010, Odisha.

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

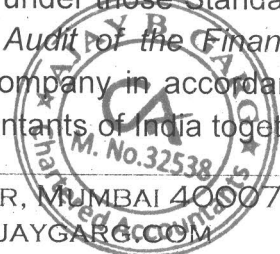
We have audited the accompanying standalone financial statements of M/s. ARSS Developers Limited ("the Company"), which comprise the Balance Sheet as at March 31st, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- a) *Recoverability of Sundry Debtors to the tune of Rs.17.02Crores is not ascertainable. Moreover, no provision has been made in this regard.*

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under these Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together





AJAY B GARG

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with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

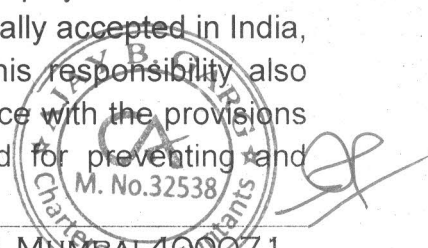
Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and





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detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

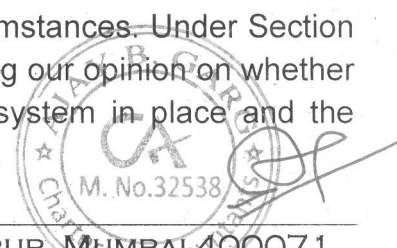
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.





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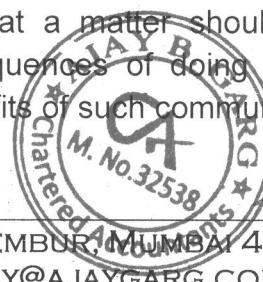
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.





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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure-A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained, except for the matter described in the 'Basis for Qualified Opinion' paragraph above, all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) Except for the possible effect of the matter described in the 'Basis for Qualified Opinion' paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) Except for the possible effect of the matter described in the 'Basis for Qualified Opinion' paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

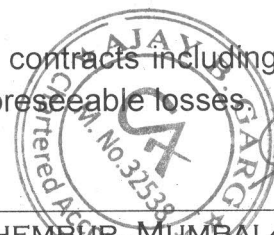
(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 15 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.





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iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act; in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

For Ajay B Garg
Chartered Accountants


A Garg
Proprietor



Membership No.: 032538

Place: Mumbai

Date: 28th May 2019



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'Annexure – A' to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone financial statements of the M/s. ARSS Developers Limited for the year ended March 31, 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner at reasonable interval. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company.
- (ii) (a) As explained to us, the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable.
- (b) In our opinion, the discrepancies noticed on physical verification of the inventory were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) The Company has granted loans of Rs.28.76Crores to parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
- (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest, if any applicable; and repayment of principal on demand. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand.
- (c) There are no overdue amount for more than 90days in respects of the loan granted to body corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.

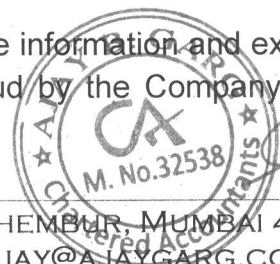




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- (v) The Company has not accepted any deposits from the public and hence the paragraph (v) of the Order relating to directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 or any rules framed there under with regard to the deposits accepted from the public are not applicable to the company. Accordingly we have not commented upon the paragraph (v) of the Order.
- (vi) Pursuant to the Companies (Cost records and audit) Rules 2014 and as prescribed by the Central Government under section 148(1) of the Act, we are of the opinion that prima-facie, the provision of maintenance of prescribed accounts and cost records are not been applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, duty of excise, service tax, duty of customs, employees' state insurance , value added tax, goods and service tax, cess and other material statutory dues have been regularly deposited with few delay in some cases during the year by the Company with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of excise, duty of customs, value added tax, goods and service tax, cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable except TDS of Rs.58.94Lakhs
- (c) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) Based on our Audit procedures and according to information and explanation given to us, the Company has paid dues to banks with certain delay. The Company has overdue outstanding dues of Rs.5.45Crores to financial institutions as at 31st March 2019.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. The term loans have been applied for the purpose for which they were obtained.
- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the





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company by its officers or employees has been noticed or reported during the year.

- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial Statements as required by the applicable accounting standards.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For Ajay B Garg
Chartered Accountant



A Garg
Proprietor
Membership No: 032538
Place : Mumbai
Dated : 28th May 2019.



AJAY B GARG

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'Annexure – B' to the Independent Auditor's Report

[Referred to in paragraph 2(f) under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2019.]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **M/s. ARSS Developers Limited** ("the Company"), as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.





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Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles including Ind AS. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles including Ind AS, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ajay B Garg
Chartered Accountant

A Garg

Proprietor

Membership No: 032538

Place : Mumbai

Dated : 28th May 2019.



ARSS Developers Limited
CIN : U45209OR2007PLC009201

BALANCE SHEET

(Rupees in INR' Lakhs)

Particulars	Note No.	As at 31st Mar 19	As at 31st Mar 18
I. ASSETS			
1. Non-current Assets			
(a) Property, Plant and Equipment	5	284	312
(b) Capital Work-in-progress		-	-
(c) Intangible Assets		-	-
(d) Financial Assets			
(i) Investments	6	2,497	2,497
(ii) Trade Receivables	7	-	-
(iii) Loans	8	-	-
(iv) Other Financial Assets		-	-
(e) Deferred Tax Assets (net)	10	7	-
(f) Other Non-Current Assets	9	-	-
2. Current Assets			
a. Inventories	11	1,625	1,625
b. Financial Assets			
(i) Investments	6	-	-
(ii) Trade Receivables	7	4,578	1,711
(iii) Cash & Bank Balance	12	21	23
(iv) Bank Balances Other Than Three Above	12	-	-
(v) Loans	8	7	3,845
(vi) Other Financial Assets		-	-
c. Current Tax Assets (Net)	19	50	100
d. Other Current Assets	9	130	-
3. Asset Held For Disposal		-	-
TOTAL ASSETS		9,199	10,173
II. EQUITY AND LIABILITIES			
1. Equity			
a. Equity Share Capital	13	651	651
b. Other Equity	14	(1,009)	(352)
2. Liabilities			
(i) Non-current Liabilities			
a. Financial Liabilities			
(i) Borrowings	15	1,634	578
(ii) Trade Payables	16	-	-
(iii) Other Financial Liabilities	17	-	-
b. Provisions		-	-
c. Deferred Tax Liabilities (net)	10	-	26
d. Other Non-current Liabilities	18	20	25
(ii) Current Liabilities			
a. Financial Liabilities			
(i) Borrowings	15	1,768	2,563
(ii) Trade Payables	16	1,789	1,789
(iii) Other Financial Liabilities	17	3,592	4,911
b. Provisions		-	-
c. Other Current Liabilities	18	774	182
d. Current Tax Liability (Net)	19	-	-
TOTAL EQUITY AND LIABILITIES		9,199	10,173

Significant Accounting Policies and Notes to Accounts

Notes Forming Part of Financial Statement

As per our report of even date attached.

For Ajay B Garg
Chartered Accountants

(CA. Ajay B Garg)
Proprietor
M.No.- 032538



For and on behalf of the Board of Director

AI
Anil Agarwal
Director
DIN : 00218187

S. Agarwal
Sunil Kumar Agarwal
Director
DIN : 00218323

Date : The 28th day of May, 2019
Bhubaneswar

ARSS Developers Limited
CIN : U45209OR2007PLC009201
STATEMENT OF PROFIT AND LOSS

(Rupees in INR' Lakhs)			
Particulars	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Income			
I. Revenue From Operations	20	2	10
II. Other Income	21	1	1
III. Other Gains/(Losses)		-	-
Total Income		3	11
IV. Expenses			
(a) Cost of Materials Consumed	22	-	2
(b) Cost Of Goods/Services Sold	24	-	31
(c) Change in Inventories (Increase) /Decrease	23	-	-
(d) Depreciation and Amortization expenses	5	28	28
(e) Employee Benefit Expenses	25	4	14
(f) Finance cost	26	453	631
(g) Other Expenses	27	28	9
Total Expenses		513	715
V. Profit Before Exceptional Items and Tax		(510)	(704)
Exceptional Items		-	-
VI. Profit Before Taxes		(510)	(704)
VII. Tax Expenses			
(a) Current Tax		-	-
(b) Tax of Earlier Years		-	-
(c) Deferred Tax	10	33	(3)
VIII. Profit (Loss) for the Period		(477)	(707)
IX. Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss :			
(a) Changes in investments in equity shares carried at Fair Value through OCI		-	-
(b) Re-measurement of defined employee benefit plans		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss .			
- on Revaluation Surplus on Property, Plant & Equipment		-	-
- on Re-measurement of defined employee benefit plans		-	-
B (i) Items that will be reclassified to profit or loss :			
(a) Changes in investments other than equity shares carried at Fair Value through OCI (FVOCI)		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss :			
X. Total Other comprehensive Income after tax		-	-
XI. Total comprehensive income for the period		(477)	(707)
XII. Earnings per equity share:			
(1) Basic	33	(7.32)	(10.86)
(2) Diluted	33	(7.32)	(10.86)

Significant Accounting Policies and Notes to Accounts
Notes forming part of Financial statement

As per our report of even date attached.

For Ajay B Garg
Chartered Accountants

(CA. Ajay B Garg)
Proprietor
M.No.- 032538



For and on behalf of the Board of Director

AAI
Anil Agarwal
Director
DIN : 00218187

S. Agarwal
Sunil Kumar Agarwal
Director
DIN : 00218323

Date : The 28th day of May, 2019
Bhubaneswar

ARSS Developers Limited
CIN : U45209OR2007PLC009201
STATEMENT OF CHANGES IN EQUITY

(Rupees in INR' Lakhs)

A. Equity Share Capital

Particulars	Amount
As at 31 March 2018	651
Changes in equity share capital	-
As at 31 March 2019	651

B. Other Equity

Particulars	Attributable to owners of ARSS Developers Limited				Total other equity
	Share Application Money	Reserves & Surplus			
		General Reserves	Securities Premium Reserve	Retained earnings	
Balance at 1 April 2018	-	-	2,072	(2,624)	(552)
Profit for the year	-	-	-	(477)	(477)
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	(477)	(477)
Issue of equity shares	-	-	-	-	-
Balance at 31 March 2019	-	-	2,072	(3,101)	(1,029)

As per our report of even date attached.

For Ajay B Garg
Chartered Accountants

(CA. Ajay B Garg)
Proprietor
M.No.- 032538



For and on behalf of the Board of Director

Anil Agarwal
Director
DIN : 00218187

Sanil Kumar Agarwal
Director
DIN : 00218323

Date : The 28th day of May, 2019
Bhubaneswar

ARSS Developers Limited
CIN : U45209OR2007PLC009201
STATEMENT OF CASH FLOWS

(Rupees in INR' Lakhs)

Particulars	Year Ended 31st March'2019	Year Ended 31st March'2018
Operating Activities		
Profit before tax from continuing operations	(510)	(704)
Profit/(loss) before tax from discontinuing operations	-	-
Profit before tax	(510)	(704)
Adjustments for		
Depreciation on Property, plant and equipment	28	28
Loss/(Gain) on Sale of Property, plant and equipment	-	-
Re-measurement of defined employee benefit plans	-	-
Interest Income	(1)	(1)
Dividend Income	-	-
<i>Operating profit / (loss) before working capital changes</i>	(483)	(677)
Working capital adjustments:		
Increase/(decrease) in short-term Borrowings	(795)	(190)
Increase/(decrease) in Trade payables	-	19
Increase/(decrease) in other current liabilities	592	46
Increase/(decrease) in other long-term liabilities	(5)	-
Decrease/(increase) in trade receivables	(2,867)	20
Decrease/(increase) in provisions	-	-
Decrease/(increase) in other current assets	(130)	-
Decrease/(increase) in other non-current assets	-	-
Decrease/(increase) in other non-current financial assets	-	-
Decrease/(increase) in other current financial liabilities	(1,319)	619
Decrease/(increase) in short-term loans and advances	3,838	5,527
Decrease/(increase) in Long-term loans and advances	-	-
	(1,169)	5,364
Income taxes paid	110	-
NET CASH INFLOW FROM OPERATING ACTIVITIES (A)	(1,059)	5,364
Investing Activities		
Purchase of property, plant and equipment	-	-
Purchase of Intangible Assets	-	-
Purchase/(Sale) of Investments	-	(2,419)
Interest received (finance income)	1	1
Dividend received (finance income)	-	-
NET CASH OUTFLOW FROM INVESTING ACTIVITIES (B)	1	(2,418)
Financing Activities		
Proceeds from issue of equity shares	-	-
Proceeds from securities premium	-	-
Interest paid	-	-
Proceeds/(Repayment) from borrowings	1,056	(2,949)
NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES	1,056	(2,949)
Net increase (decrease) in cash and cash equivalents (A+B+C)	(2)	(3)
Cash and cash equivalents at the beginning of the year	23	26
Cash and cash equivalents at year end	21	23

As per our report of even date attached.

For Ajay B Garg
Chartered Accountants

(CA. Ajay B Garg)

Proprietor
M.No. - 032538



Date : The 28th day of May, 2019
Bhubaneswar

For and on behalf of the Board of Director

A.A.I.
Sunil Agarwal

Director
DIN : 00218187

Sunil Kumar Agarwal

S.A.K.
Director
DIN : 00218323

1) Company Overview

ARSS Developers Limited (the company) is a public limited company incorporated and domiciled in India. The company is an associated entity of ARSS Infrastructure Projects Limited.

2) SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation****(i) Compliance with Ind AS :**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

(ii) Historical cost convention :

The financial statements have been prepared under the historical cost convention, except for the following:

- a) Certain financial assets and liabilities that is measured at fair value;
- b) Net Defined Obligations
- c) Assets held for sale

(iii) Current And Non -Current Classification

All assets and liabilities have been classified as current and non-current as per the company's operating cycle and other criteria set out in the Division II of Schedule III to the Companies Act 2013. The company has ascertained its operating cycle as 12 months for the purpose of current and non-current classifications.

2.2 Property, plant and equipment, Intangible Assets and Capital Work-in-progress**i) Recognition and Measurement**

All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The cost of Property, plant and equipment not available for use as on each reporting date are disclosed under capital work-in-progress.

ii) Depreciation methods, estimated useful lives and residual value

- a) Depreciation is calculated using the Straight Line Method (SLM) to allocate their cost, net of their residual values over their estimated useful life. The useful life has been determined based on the technical evaluation done by the independent experts.
- b) Any asset whose aggregate actual cost does not exceed five thousand rupees has been fully charged off in the year of addition.
- c) The residual values are not more than 5% of the original cost of the assets. The asset's residual values and useful life are reviewed and adjusted at the end of each reporting period.



- d) Depreciation on assets purchased/acquired during the year is charged from the date of purchase of the assets. Assets that are acquired during the year are depreciated on pro rata basis from the date of such addition or, as the case may be, up to the date on which such assets has been derecognized.
- e) An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
- f) Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).
- g) Leasehold land has been amortized over corresponding lease period

2.3 Revenue recognition :

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

Contract revenue (Construction Contracts) :

Contract revenue and contract cost associated with the construction of road are recognised as revenue and expenses respectively by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed up to the balance sheet date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. If total cost is estimated to exceed total contract revenue, the Company provides for foreseeable loss. Contract revenue earned in excess of billing has been reflected as unbilled revenue and billing in excess of contract revenue has been reflected as unearned revenue.

2.4 Other Incomes

- a) Dividends shall be recognised as revenue when the shareholder's right to receive payment is established.
- b) Interest shall be recognised as revenue using the effective interest method as set out in Ind AS 109.
- c) Revenue other than above is recognised only when it is probable that the economic benefits associated with the transaction will flow to the entity. However, when an uncertainty arises about the collectability of an amount already included in revenue, the uncollectible amount or the amount in respect of which recovery has ceased to be probable is recognised as an expense, rather than as an adjustment of the amount of revenue originally recognised.

2.5 Inventories :

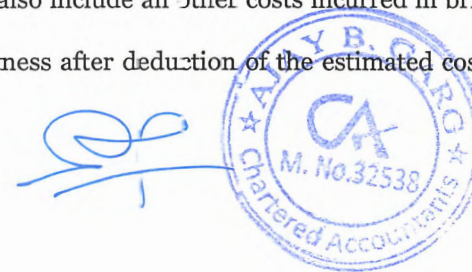
Raw materials, Stores and spares, Semi-finished goods, traded and finished goods

Inventories are valued as under –

- a) Raw materials, Stores spares, loose tools and Erection materials are valued at at the lower of cost or net realisable value;
- b) Finished goods are stated at lower of Cost or Net Realisable Value; and
- c) Saleable scraps, whose cost is not identifiable, are valued at estimated realisable value.

Cost of raw materials and stores comprises cost of purchase. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business after deduction of the estimated cost of completion and the estimated costs necessary to make the sale.



2.6 Financial Instruments

Financial assets and liabilities are recognized when the company becomes a party to the contractual provisions of the instrument.

Financial Assets

(i) Trade Receivables

Trade Receivables are recognized initially at fair value and subsequently measured at amortized costs less provisions for impairment.

(ii) Other Financial Assets

a) Classifications

The company classifies its financial assets into the following categories:

#Those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss)

#Those measured at amortized costs

The classification depends upon the business model for managing the financial assets and contractual characteristics of the cash flows.

b) Measurements

Initial Recognition:

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognized in profit or loss.

Subsequent Measurement:

There are three subsequent measurement categories into which the company classifies its debt instrument financial assets:

measured at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

measured at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income, if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

measured at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or fair value through other comprehensive income on initial recognition.



Equity instruments :

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised at the proceeds received net off direct issue cost.

All equity instruments classified under financial assets are subsequently measured at fair value. The company has made an irrevocable election at the time of initial recognition to account for the equity instrument at fair value through other comprehensive income.

c) Impairment of Financial Assets :

The company assesses on forward looking basis the expected credit losses associated with its assets carried at amortized costs. The impairment methodology applied depends on whether there has been a significant increase in credit risks.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109, "Financial Instruments", which requires expected life time losses to be recognized from initial recognition of the receivables.

d) Derecognition of Financial Assets :

A financial asset is derecognized only when :

The company has transferred the rights to receive cash flows from the financial assets or

Retains the contractual rights to receive the cash flows of the financial assets but assumes a contractual obligation to pay the cash flows to one or more recipients.

Financial Liabilities**a) Borrowings :**

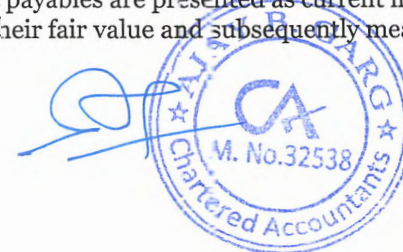
i. Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.

ii. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

iii. Borrowings are classified as current liabilities unless the entity has an unconditional right to defer, settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

b) Trade and other payables :

These amounts represent liabilities for goods and services provided to the entity prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 45 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest method.



c) Other Financial Liabilities

Financial liabilities are measured at amortized cost using effective interest method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Interest bearing loans and borrowings are subsequently measured at amortized cost using effective interest rate method. Gain and losses are recognized in profit and loss when the liabilities are derecognized.

d) Offsetting of Financial Instruments:

A financial asset and a financial liability shall be offset and the net amount shall be presented in the balance sheet when, and only when, an entity:

- (a) currently has a legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.7 Employee benefits :**(i) Short-term employee benefit obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months, after the end of the period, in which the employees render the related service, are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

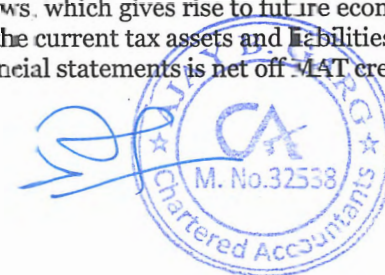
All Short term employee benefits such as salaries, incentives, special award, medical benefits which fall due within 12 months of the period in which the employee renders related services, which entitles him to avail such benefits and non accumulating compensated absences (like maternity leave and sick leave) are recognized on an undiscounted basis and charged to Profit and Loss Statement.

**(ii) Post-employment obligations
Provident fund obligations**

Contribution to the provident fund, which is a defined contribution plan, made to the Regional Provident Fund Commissioner is charged to the Profit and loss Statement on accrual basis.

2.8 Income tax :

- i.** The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.
- ii.** The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.
- iii.** Current income tax expense comprises taxes on income from operations in India and is determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) is paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability. The company offsets on a year on basis, the current tax assets and liabilities, where it intends to settle such assets and liabilities on a net basis. The current tax expense recognized in the financial statements is net off MAT credit utilized during the period.



- iv. Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
- v. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.
- vi. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.
- vii. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.9 Cash and cash equivalents :

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2.10 Borrowing costs :

- a) General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.
- b) Other borrowing costs are expensed in the period in which they are incurred.

2.11 Provisions & Contingent Liabilities:

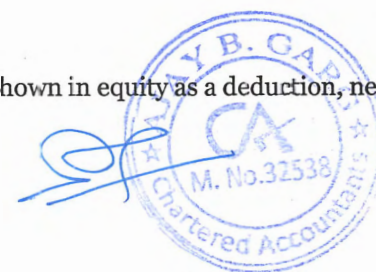
- a) A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. Contingent assets are not recognized.
- b) Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2.12 Contributed equity :

a) Equity:

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.



b) Dividends :

Provisions is made for any amount of dividend declared , being appropriately authorized and no longer at the discretion of the entity, on or before the end of reporting period but not distributed at the end of the reporting period.

2.13 Earning Per Share**a) Basic Earning Per Share**

Basic Earning Per Share is calculated by dividing the profit attributable to owners of the company by the weighted average number of equity shares outstanding during the financial year.

b) Diluted Earning Per Share

Diluted Earning Per Share adjusts the figures used in the determination of the basic earning per share to take into account the after income tax effect of interests or other finance costs associated with the dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.14 Segment Reporting

Ind AS 108 establishes standards for the way that business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Company's operations predominantly relate to providing end-to-end business solutions to enable clients to enhance business performance. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies. There is only one operating segment and geographic segment and therefore no separate disclosures are considered necessary.

2.15 Rounding of amounts :

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Division II of Schedule III to the Act, unless otherwise stated.



3) Recent Accounting Pronouncement :

Accounting Pronouncement Issued but not effective :

a) Ind AS 116 Leases :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

b) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach - Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.



c) Amendment to Ind AS 12 – Income taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

d) Amendment to Ind AS 19 – plan amendment, curtailment or settlement-

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.



4) Critical Estimates and Judgments:

a) Use of Estimates :

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

b) Critical Accounting Estimates :

i) Property, plant and equipment

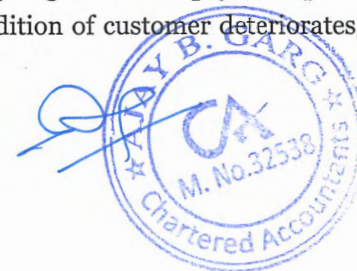
Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful life and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The life is based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

i) Income Taxes :

The Company's major tax jurisdictions is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

ii) Impairment of trade receivables

The company estimates the uncollectibility of accounts receivables by analysing historical payment patterns, customer concentrations, customer credit worthiness and current economic trends. If the financial condition of customer deteriorates, additional allowances may be required.



Notes to the Financial Statements for the year ended 31st March, 2019

Note-5: Property, Plant and Equipment

Particulars	Freehold Land	Leasehold Land	Freehold Buildings	Furniture, Fixtures and Equipment	Plant and Equipment	Other Equipment	Vehicles	ROTI/IT	Capital Work-in-progress	Intangible Assets
Gross Carrying Amount										
At 1st April, 2017	-	-	-	15	391	7	15	428	-	-
Additions/Adjustments during the year	-	-	-	-	-	-	-	-	-	-
Disposals/Adjustment during the year	-	-	-	-	-	-	-	-	-	-
At 31st March, 2018	-	-	-	15	391	7	15	428	-	-
Additions/Adjustments during the year	-	-	-	-	-	-	-	-	-	-
Disposals/Adjustment during the year	-	-	-	-	-	-	-	-	-	-
At 31st March, 2019	-	-	-	15	391	7.00	15	428	-	-
Accumulated Depreciation and Impairment										
At 1st April, 2017	-	-	-	4	67	7	10	88	-	-
Depreciation charge for the year	-	-	-	1	25	-	2	28	-	-
Disposals/Adjustment during the year	-	-	-	-	-	-	-	-	-	-
At 31st March, 2018	-	-	-	5	92	7	12	116	-	-
Depreciation charge for the year	-	-	-	1	25	-	2	28	-	-
Disposals/Adjustment during the year	-	-	-	-	-	-	-	-	-	-
At 31st March, 2019	-	-	-	6	117	7	14	144	-	-
Net Book Value At 31st March, 2019	-	-	-	9	274	-	1	284	-	-
Net Book Value At 31st March, 2018	-	-	-	10	299	-	3	312	-	-

Net Book Value /At Deemed Cost on 1st Apr 2016	As at 31st March'2018 INR Lakhs	As at 31st March'2017 INR Lakhs
Property, Plant and Equipment	284	312
Capital Work-in-progress	-	-
Intangible Assets	-	-



Notes to the Financial Statements for the year ended 31st March, 2019

Note 6: Investments

Particulars	As at 31st March'2019	As at 31st March'2018
Investment in Equity Instruments		
Unquoted at Cost		
Investment in Subsidiary Entities		
2,70,700 Equity Shares of Par Value of Rs. 10/- each fully paid in North West sales & Marketing Limited	78	78
Investment in Associate Entities		
3183480 Equity Shares of Par Value of Rs. 10/- each fully paid in ARSS Infrastructure Projects Ltd	2,419	2,419
Investment in Joint Ventures	-	-
Total	2,497	2,497
(i) Non-current	2,497	2,497
(ii) Current	-	-
Category wise Investments:		
At Amortized Cost	2,497	2,497
At Fairvalue through Profit & Loss (FVPL)	-	-
At Fairvalue through Other Comprehensive Income (FVOCI)	-	-

Note 7: Trade Receivables

Particulars	As at 31st March'2019	As at 31st March'2018
Secured, considered good		
(i) Non-Current		
Sub-Total	-	-
(ii) Current		
Gross Trade Receivables	4,592	1,725
Less: Trade Receivable Written off	(14)	(14)
Less: Impairment loss/(Gain) on financial assets	-	-
Sub-Total	4,578	1,711
Total	4,578	1,711

Note 8: Loans

Particulars	As at 31st March'2019	As at 31st March'2018
Secured, considered good		
(i) Non Current		
Security Deposit		
-Government authorities	-	-
-Others	-	-
Loans and Advances	-	-
Sub-Total	-	-
(ii) Current		
Security Deposit		
-Government authorities	1	
Others*	6	6
Loans to related party	-	3,839
Loans to Others	-	-
Sub-Total	7	3,845
Total	7	3,845

*Others Includes Security Deposit & Withheld money receivable.

Note 9: Other Assets

Particulars	As at 31st March'2019	As at 31st March'2018
(i) Non-Current		
Capital Advance	-	-
Sub-Total	-	-
(ii) Current		
Prepaid Expenses		
Balances with statutory/government Authorities		
Vendor Advances	130	-
Sub-Total	130	-
Total	130	-



Notes to the Financial Statements for the year ended 31st March 2019

Note 10: Deferred tax assets/(liabilities)(net)

Particulars	As at 31st March'2019	As at 31st March'2018
Property, plant and equipment	7	-26
Asset Held For Disposal	-	-
Employee Benefit Obligation	-	-
Impairment loss/(gain) on financial assets	-	-
Minimum Alternate Tax(MAT)	-	-
Brought forward losses	-	-
Total	7	(26)

Note 11: Inventories

Particulars	As at 31st March'2019	As at 31st March'2018
a. Materials at Site	-	-
b. Stores, Spares & Loose Tools	-	-
c. Work In Progress	1,625	1,625
d. Finished Goods	-	-
Total	1,625	1,625

Note 12: Cash and Bank Balance

Particulars	As at 31st March'2019	As at 31st March'2018
Balances with banks		
(i) Cash at bank	21	22
(ii) Cash on hand	-	1
Less: Bank overdraft	-	-
Total	21	23
Less: Balances In Bank Other Than Above*	-	-
	21	23
Details of Cash at Bank :		
In Current Account	-	2
In Fixed Deposits	21	20



Note 13: Share Capital

Particulars	As at 31st March 2019	As at 31st March 2018
(A) Authorised Shares Capital		
Equity Shares ::		
1,00,00,000 (As on 31st March 2018 1,00,00,000) Equity Shares of Rs.10/- Each	1,000	1,000
(B) Issued, Subscribed and Paid Up		
Equity Shares:		
65,08,416 (As on 31st March 2018 65,08,416) equity shares of Rs. 10 each fully paid up	651	651
Total	651	651

Particulars	As at 31st March 2019	As at 31st March 2018
(C) Reconciliation of Number of Shares		
i) Reconciliation of number of Equity shares are set out below:		
a) Shares outstanding at the beginning of the financial year.	6,500,416	6,508,416
b) Issued during the year	-	-
c) Shares forfeited/brought back/cancelled during the year	-	-
d) Shares outstanding at the end of the financial year	6,508,416	6,508,416

Name of the Shareholders	% Held	No. of Shares	% Held	No. of Shares
Equity Shares:				
ARSS Infrastructure Projects Limited	38.41%	2,500,000	38.41%	2,500,000
Rajesh Agarwal	13.64%	887,500	13.64%	887,500
Subash Agarwal	12.83%	835,000	12.83%	835,000
Sidhant Financial Services Limited	9.30%	605,000	0.00%	-
Sunil Agarwal	7.95%	517,500	7.95%	517,500
Anil Agarwal	7.80%	507,500	7.80%	507,500
Prateek Agarwal	0.00%	-	5.38%	350,000

(i) As per records of the company, including its register of shareholder/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(ii) The company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote

(iii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(E) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.

(F) For the period of five years immediately preceding the date at which the balance sheet prepared the company has not :

(i) Allotted any shares as fully paid up pursuant to contract without payment being received.

(ii) Allotted any shares as fully paid up by way of bonus, and

(iii) Bought back any shares

Note-14: Other Equity

Particulars	As at 31st March 2019	As at 31st March 2018
a. Securities Premium		
Opening Balance	2,072	2,072
Add:- Additions during the year	-	-
Sub Total	2,072	2,072
c. Retained Earnings		
Opening Balance/ As on Transition Date	(2,624)	(1,917)
Add: Profit/(Loss) during the year	(477)	(707)
Add :Re-measurement of defined employee benefit plans through OCI	-	-
Less: Deferred Tax liability / (Assets) on Transition date	-	-
Less; Impairment loss on financial assets	-	-
Add: Depreciation on Capital Stores classified as PPE on transition date	-	-
Sub Total	(3,101)	(2,624)
Grand Totals	(1,029)	(552)

Note 13: Share Capital

Particulars	As at 31st March 2018	As at 31st March 2018
(A) Authorised Shares Capital		
Equity Shares ::		
1,00,00,000 (As on 31st March 2018 1,00,00,000) Equity Shares of Rs.10/- Each	1,000	1,000
(B) Issued, Subscribed and Paid Up		
Equity Shares:		
65,08,416 (As on 31st March 2018 65,08,416) equity shares of Rs. 10 each fully paid up	651	651
Total	651	651

(C) Reconciliation of Number of Shares		
	As at 31st March 2018	As at 31st March 2018
i) Reconciliation of number of Equity shares are set out below:		
a) Shares outstanding at the beginning of the financial year.	65,08,416	65,08,416
b) Issued during the year	-	-
c) Shares forfeited/brought back/cancelled during the year	-	-
d) Shares outstanding at the end of the financial year	65,08,416	65,08,416

(D) Details of shareholders holding more than 5% of shares				
		As at 31st March 2018		As at 31st March 2018
Name of the Shareholders	% Held	No. of Shares	% Held	No. of Shares
Equity Shares:				
ARSS Infrastructure Projects Limited	38.41%	25,00,000	38.41%	25,00,000
Rajesh Agarwal	13.64%	8,87,500	13.64%	8,87,500
Subash Agarwal	12.83%	8,35,000	12.83%	8,35,000
Sunil Agarwal	7.95%	5,17,500	7.95%	5,17,500
Anil Agarwal	7.80%	5,07,500	7.80%	5,07,500
Prateek Agarwal	5.38%	3,50,000	5.38%	3,50,000

(i) As per records of the company, including its register of shareholder/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(ii) The company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote

(iii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(E) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.

(F) For the period of five years immediately preceding the date at which the balance sheet prepared the company has not :

(i) Allotted any shares as fully paid up pursuant to contract without payment being received.

(ii) Allotted any shares as fully paid up by way of bonus, and

(iii) Bought back any shares

Note-14: Other Equity

Particulars	As at 31st March 2018	As at 31st March 2018
a. Securities Premium		
Opening Balance	2,072	2,072
Add:-Additions during the year	-	-
Sub Total	2,072	2,072
c. Retained Earnings		
Opening Balance/ As on Transition Date	(2,624)	(1,917)
Add: Profit/(Loss) during the year	(477)	(707)
Add :Re-measurement of defined employee benefit plans through OCI	-	-
Less: Deferred Tax liability / (Assets) on Transition date	-	-
Less; Impairment loss on financial assets	-	-
Add: Depreciation on Capital Stores classified as PPE on transition date	-	-
Sub Total	(3,101)	(2,624)
Grand Totals	(1,029)	(552)



Note 15: Borrowings

Particulars	As at 31st March 2019	As at 31st March 2018
(i) Non-Current Borrowings		
(a) Term Loan From Banks	2,248	1,614
(b) Term Loan From Others (IFCI Ltd)	2,833	3,817
Less : - Current Maturity of Long term debt		-
Term Loan From Banks	-2,248	-1,614
Term Loan From Others	-1,199	-3,239
Total non-current borrowings	1,634	578
(ii) Current Borrowings		
(a) From Banks	-	-
(b) From related parties	1,067	-
(c) From Others	701	2,563
Total current borrowings	1,768	2,563

Notes :-

- (i) Term Loan from IFCI Ltd is secured by equitable mortgage of imovable property of the Company and promoters and carries interest rate of 11.75 % p.a.. The loan has already turned Non Performing due to lack of funds in the Company. The Company is in the process of obtaining a compromise settlement from the Bank.
- (ii) Current Borrowings from others include related party loans to the extent of Rs 1067 Lakhs (2017-18:: Rs 1098 Lakhs) carrying an interest of 9% p.a..

Note-16: Trade Payables

Particulars	As at 31st March 2019	As at 31st March 2018
i. Non-Current	-	-
Sub-Total	-	-
ii. Current	1789	1789
Sub-Total	1,789	1,789
Grand Total	1,789	1,789

The Company has not received any intimation from suppliers regarding their status under micro, small and medium enterprises Development Act 2006 and hence disclosure if any relating to amount unpaid as at the year end together with interest paid/payable as required under the said Act have not been given. Refer Note No 37 for detailed disclosure on the same.

Note-17: Other financial liabilities

Particulars	As at 31st March 2019	As at 31st March 2018
i. Non-Current		
Retention Money	-	-
Capital Creditors	-	-
Sub-Total	-	-
ii. Current		
Current Maturity of Long term Debt		
Term Loan From Banks	2,248	1,614
Term Loan From Others	1,199	3,239
Liability For Expenses	145	58
Sub-Total	3,592	4,911
Total	3,592	4,911

Note-18: Other Liabilities

Particulars	As at 31st March 2019	As at 31st March 2018
Non- Current Liabilities		
Security Deposits Received	20	25
	20	25
Current Liabilities		
Payable to Statutory Authorities	58	107
Mobilization advance Received	-	-
Advance From Customers	76	75
Total	74	182



Notes to the financial Statements for the year ended 31st March, 2019

Note-19: Current Tax Liability/ (Assets) In Net

Particulars	31st March'2019	31st March'2018
Income tax payable	-	-
TDS receivable	(50)	(160)
Total	(50)	(160)

Note-20: Revenue from operations

Particulars	31st March'2019	31st March'2018
Revenue from Operation :		
Sale of Services*	2	10
Sale of Products	-	-
Less: Impact of finance component of deferred revenue	-	-
Total	2	10

* Includes claims and incentives

Note-21: Other income

Particulars	31st March'2019	31st March'2018
Interest Income From Financial Assets measured at Amortized Cost	1	1
Interest On Arbitration Cases	-	-
Other items	-	-
Total	1	1

Note-22: Cost of material consumed

Particulars	31st March'2019	31st March'2018
Material and components consumed		
Opening Stock	-	-
Add: Material Purchased during the year	-	2
Less: Closing Stock	-	-
Total	-	2

Note-23: Change in Inventories

Particulars	31st March'2019	31st March'2018
Opening Stock		
Work In Progress	1,625	1,625
Finished Goods	-	-
Sub-Total	1,625	1,625
Less:- Closing Stock		
Work In Progress	1,625	1,625
Finished Goods	-	-
Sub-Total	1,625	1,625
INCREASE(-)/DECREASE(+)	-	-



Notes to the Financial Statements for the year ended 31st March, 2019

Note-24: Cost Of Goods/Services Sold

Particulars	31st March'2019	31st March'2018
Job Work Expenses		-
Wages & Salary		5
Hire Charges		-
Fuel Expenses		-
Land and Development Expenses		26
Total	-	31

Note-25: Employee Benefit Expenses

Particulars	31st March'2019	31st March'2018
Salary & Allowances	4	14
Director's Remuneration	-	-
Contribution to PF & Other Funds	-	-
Staff Welfare	-	-
Total	4	14

Note-26: Finance Cost

Particulars	31st March'2019	31st March'2018
Interest On Borrowings	453	631
Interest on Deferred Payment Terms	-	-
Total	453	631

* Interest to others includes interest on other advances

Note-27: Other expenses

Particulars	31st March'2019	31st March'2018
Repairs & Renewals:		
Plant & Machinery	-	1
Others	-	-
Bad Debt	16	-
Impairment loss on financial assets	-	-
Provision for Bank Guarantee Invoked	-	-
Legal & Professional Charges	7	2
Royalty	-	-
Travelling & Conveyance	-	1
Auditors Remuneration	-	-
Directors' Sitting fees	-	-
Bank Charges	-	-
Insurance Charges	-	-
Electricity Charges	2	-
Interest on Service Tax	-	5
Miscellaneous Expenses	-	-
Consultancy	3	-
	28	9



Note 28 : Income Tax Expenses

This note provides an analysis of the company's income tax expenses, show amounts that are recognised directly in equity and how the tax expenses is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the company's tax position.

Particulars	31st March, 2019	31st March, 2018
(a) Income Tax Expenses		
Current Tax :		
Current Tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total Current Tax Expenses	-	-
Deferred Tax :		
Decrease/(Increase) in deferred tax assets	33	(3)
(Decrease)/Increase in deferred tax liabilities	-	-
Adjustments for deferred tax of prior periods	-	-
Total Deferred tax expenses/(benefits)	33	(3)
Total Income Tax Expenses	33	(3)
Income Tax Expenses is attributable to :		
Current Tax	-	-
Deferred Tax	33	(3)
Total Tax Expenses Charged to SPL	33	(3)
Total Tax Expenses/(Deferred Tax Benefits) Charged against OCI	-	-
Total Tax Expenses/(Deferred Tax Benefits)	33	(3)

(b) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate :

During current year and previous year the company has incurred loss hence there is no current tax required to be payable under Income Tax Act,1961. Accordingly, reconciliation of tax expenses is not required.

(c) Amount recognised directly in equity

Particulars	31st March, 2019	31st March, 2018
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited/ (credited) to equity:	-	-
Current tax: share issue transaction cost	-	-
Deferred tax: Convertible bonds	-	-
	-	-

(d) Unrecognised temporary differences

Particulars	31st March, 2019	31st March, 2018
Temporary difference relating to investment in subsidiaries for which deferred tax liabilities have not been recognised:		
Undistributed earnings	-	-
Unrecognised deferred tax liabilities relating to the above temporary differences	-	-



Note No. 29 : Movement in Deferred Tax Asset-Incomes / (Liability-Expenses)

Particulars	As at 31.03.2019		As at 31.03.2018	
	Through PL	Through OCI	Through PL	Through OCI
Property, Plant and Equipment	33		(26)	-
Assets Held for Disposal	-		-	-
Employee benefit obligation	-	-	-	-
Impairment loss/(gain) on financial assets	-		-	
Financial assets at fair value through profit and loss			-	-
Unused MAT Credits	-		-	-
Other items			-	-
Net Impacts	33	-	(26)	-



(i) Financial instruments by category:

Particulars	31-Mar-2019			31-Mar-2018		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments:						
Equity instruments	-	-	2,497	-	-	2,497
Trade receivables	-	-	4,578	-	-	1,711
Cash & Bank Balance	-	-	21	-	-	23
Bank Balance Other than above	-	-	-	-	-	-
Loans	-	-	7	-	-	3,845
Derivative financial assets	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total financial assets	-	-	7,103	-	-	8,076
Financial liabilities						
Borrowings			3,402	-	-	3,141
Trade payables			1,789	-	-	1,789
Other financial liabilities			3,592	-	-	4,911
Total financial liabilities	-	-	8,783	-	-	9,841

(ii) Fair value hierarchy:

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are

(a) recognised and measured at fair value, and

(b) measured at amortized cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the Ind AS 113 "Fair Value Measurements". An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2019	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVPL				
Equity instruments	-	-	-	-
Mutual funds	-	-	-	-
Financial investments at FVOCI				
Quoted equity investments	-	-	-	-
Unquoted equity investments	-	-	-	-
Derivatives				
Foreign exchange forward contracts	-	-	-	-
Foreign currency options	-	-	-	-
Interest rate swaps	-	-	-	-
Total	-	-	-	-



Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2018	Level 1	Level 2	Level 3	Total
Financial assets :				
Financial investments at FVPL				
Equity instruments	-	-	-	-
Mutual funds	-	-	-	-
Financial investments at FVOCI				
Quoted equity investments	-	-	-	-
Unquoted equity investments	-	-	-	-
Derivatives				
Foreign exchange forward contracts	-	-	-	-
Foreign currency options	-	-	-	-
Interest rate swaps	-	-	-	-
Total	-	-	-	-

Level 1 : This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchange is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 : Fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument as observable, the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets.



- (iii) As per Ind AS 107 "Financial Instrument: Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. Accordingly fair value disclosures have not been made for the following financial instruments:-

1. Trade receivables
2. Cash and cash Equivalent
3. Loans
4. Borrowings
5. Trade payables
6. Capital creditors
7. Other payables

Note No. 31 : Financial risk management

The company's few portion of activities are exposed to variety of financial risks i.e. market risk, credit risk and liquidity risk. The company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and other financial instruments, financial assets measured at amortized cost.	Ageing analysis Credit rating	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily trade receivables from customers other than government entities. These Trade receivables are typically unsecured and are derived from revenue earned from domestic and foreign customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess impairment loss or gain. the company uses a matrix to compute the expected credit loss allowance for trade receivable .

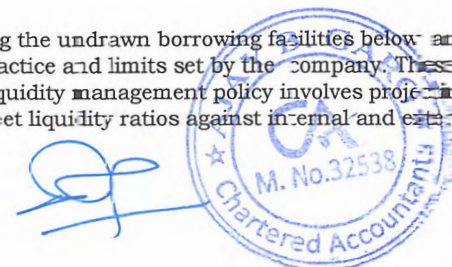
Credit risk management

Credit risk is managed on instrument basis. For Banks and financial institutions ,only high rated banks /institutions are accepted. For other financial instruments, the company assesses and maintains an internal credit rating system. The finance function consists of a separate team who assess and maintain internal credit rating system.

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in accordance with practice and limits set by the company. These limits vary by locations to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.



Note No. 32: Capital management**(a) Risk management**

The company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return on capital to shareholders or issue new shares. The company monitors capital using gearing ratio, which is net debt divided by total Equity. Net debt comprises of long term and short term borrowings less cash and bank balances. Equity includes equity share capital and reserves that are managed as capital. The gearing at the end of reporting period was as follows:

Particulars	March 31, 2019	March 31, 2018
Net Debt	3,381	3,118
Total Equity	(378)	99
Net debt to Equity Ratio	-8.94	31.49

(b) Dividends

Particulars	March 31, 2019	March 31, 2018
(i) Equity shares		
Final dividend for the year ended 31.03.2019 of Rs. NIL (31.03.2018 Rs. NIL) per fully paid share	-	-
Interim dividend for the year ended 31.03.2019 of Rs. NIL (31.03.2018 Rs. Nil) per fully paid share	-	-
(ii) Dividends not recognised at the end of the reporting period	-	-
In addition to the above dividends, since year end the directors have recommended the payment of final dividend of Rs. NIL per fully paid equity share (31.03.2018 Rs. NIL). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	-	-



(All amounts in INR Lakhs, unless otherwise stated)

NOTE - 33

EARNINGS PER SHARE (EPS)		31st March, 2019	31st March, 2018
i)	Net Profit after tax as per statement of Profit & Loss attributable to Equity Shareholders (Rs Lakhs)	(477)	(707)
ii)	Weighted Average number of equity shares used as denominator for calculating EPS	65,08,416	65,08,416
iii)	Face Value per Equity Share (Rs)	10	10
iv)	Basic and Diluted Earnings per share (Rs)	-7.32	-10.86

NOTE - 34

CONTINGENT LIABILITIES		31st March, 2019	31st March, 2018
i.	Guarantees given by Company's Bankers on behalf of the Company.	-	-
ii.	Claims against the Company not acknowledged as debts:	-	-
iii.	Corporate Guarantees given by Company	-	-

NOTE - 35

CAPITAL COMMITMENTS		31st March 2019	31st March 2018
	Estimated value of contracts in capital account remaining to be executed	-	-

NOTE -36 RELATED PARTY DISCLOSURE AS PER Ind AS 24

(I) List of Related parties

a. Associate :

ARSS Infrastructure Projects Limited

b.Subsidiary

North West sales & Marketing Limited

c.Key Managerial Personnel

<u>Name</u>	<u>Designation</u>
Sunil Agarwal	Director
Anil Agarwal	Director

d.Enterprises in which Key Management personnel has significant influence

Shivam Condev Private Limited
 ARSS Engineering & Technology Private
 ARSS Cements Limited
 ARSS Steel & Power Limited
 ARSS Holdings Limited
 Anil Contractors Private Limited
 ARSS ETOE Rail Private Limited
 Sidhant Financials Services Limited
 Faster Infracon Private Limited
 Holy Vanijya Private Limited
 Balabhadra Developers Limited
 Balabhadra Crusher Private Limited
 North West Sales and Marketing Limited
 Gypsum Commerce India Private Limited
 ARSS Damoh Hiraipur Tolls Private Limited

e.Close Family members of Key Managerial Personnel

<u>Name</u>	<u>Relationships</u>
-------------	----------------------

None of the close members of all Key managerial Personnel's are considered as Related Party in accordance with Ind AS 24 considering the fact that they are neither participating nor influencing executive decision making of the company.



(II) Balances and Transactions with Related parties

a. Statement Of Profit And Loss Items

Transactions During the Period

Name	Particulars	2018-19	2017-18
Shivam Condev Private Limited	Sale of Services	1	10
Shivam Condev Private Limited	Interest Expenses	33	-
Sidhant Financial Services Limited	Interest Expenses	41	-
Anil Contractors Private Limited	Interest Expenses	12	-

b. Balance Sheet Items

Name	Particulars	2018-19	2017-18
North West sales & Marketing Limited	Loans given	-	3,659
North West sales & Marketing Limited	Sundry Debtors	4,521	1,645
Shivam Condev Private Limited	Sundry Debtors	-	10
Shivam Condev Private Limited	Loans taken	408	428
Sidhant Financial Services Limited	Loans taken	512	524
Anil Contractors Private Limited	Loans taken	147	146
Shivam Condev Private Limited	Interest Payable	33	-
Sidhant Financial Services Limited	Interest Payable	41	-
Anil Contractors Private Limited	Interest Payable	12	-

NOTE - 37 Micro, Small and Medium Enterprises (MSME) Dues Disclosure

The Company has not received any intimation regarding their status under micro, small and medium enterprises Development and hence disclosure if any relating to amount unpaid as at the year end together with interest paid/payable as required under the said Act have not been given. As per the information available to us, there are no micro, small and medium enterprises to whom the Company owes dues which are outstanding for a period of more than 45 days as at the balance sheet date.

Note - 38

Figures for the previous year have been re-arranged and re-grouped wherever necessary.

As per our report of even date attached.

For Ajay B Garg
Chartered Accountants

(CA. Ajay B Garg)
Proprietor
M.No.- 032538

Date : The 28th day of May, 2019
Bhubaneswar



For and on behalf of the Board

A. A. 1
Anil Agarwal
Director
DIN : 00218187

S. Agarwal
Sunil Kumar Agarwal
Director
DIN : 00218323